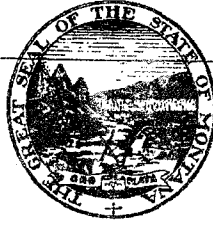


Montana State Senate

Exhibit No. 1
Date 3/20/09
Bill No. HB602**SENATOR JIM SHOCKLEY**
SENATE DISTRICT 45HELENA ADDRESS:
PO BOX 200500
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PHONE: (406) 642-6647/3792 (OFFICE)
(406) 642-3817 (HOME)COMMITTEES:
JUDICIARY
STATE ADMINISTRATION
ETHICS
LOCAL GOVERNMENT*The Big Sky Country*Department of Fish, Wildlife, and Parks
Director Joe Maurier
P.O. Box 200701
Helena, Montana 59620-2007

15 March 2009

Re: state vehicles

Dear Director:

As you know the Senate Committee on State Administration has cognizance over the operation of your agency. On 11 March, during the hearing on Representative Jill Cohenour's HB-602, the issue of the use of state vehicles was discussed. There was not enough information available for the Committee to make a well informed decision in regard to the bill.

In light of the above, would it be convenient for you to appear at the committee's meeting on 20 March to discuss the use of state owned vehicles? Of course, we would appreciate it if the staff with detailed knowledge were available to assist with questions.

The committee is interested in such facts as those listed below:

1. The number of vehicles, their type, and how they are equipped; e.g., equipped with four wheel drive;
2. The number of vehicles that are leased from the Department of Transportation and the number which are owned by the Department;
3. Average cost of the Department's vehicles, under both scenarios, and the amenities that the vehicles have when purchased; e.g., compact disk players;
4. If the benefit provided by the use of state vehicles is reflected on the employee's W-2 form;
5. What a Department considers an "emergency" for purposes of providing a vehicle to an

employee for commuting to and from work;

6. The number of employees in the Helena area commuting to work in state vehicles;
7. The number, and titles, of Department personnel who have cars issued to them?
8. The number of vehicles that the Department either owns, or leases from the Department of Transportation?

"Issued" means, in this context, a vehicle which state employees have in their possession which allows them to commute daily from their home to their work place. The above list is not necessarily exhaustive. If you have any questions about the committee's interests, please have your staff contact me.

I had called earlier this week to give you a little more time to prepare. I know this is a busy time for your Department and ~~do not wish to cause the Department unnecessary work~~. If more time is needed to prepare, please let me know.

There are two other agencies making presentations at the hearing to which you are invited. The Committee will begin hearing testimony at 3:00 p.m., but there is no need for all of the departments to be there at that time. If you would like to work out a more specific time, please have your staff call me at (406) 370-8044.

Respectfully,



Jim Shockley

JGS/jgs

cc: Mr. President
Governor
Senate State Administration
political file

Senator Shockley's HB602 Information Request
Fish, Wildlife and Parks

1. **The number of vehicles, their types, and how they are equipped: e.g., equipped with four-wheel drive.**

Fleet program- 478 vehicles

Sedans- 20 (includes two hybrids)

Vans- 6

SUV- 16

1/2T Pick Up- 141

3/4T Pick Up- 282

Small PU- 13

Pickups are normally four-wheel drive with a few exceptions (two wheel-drive)

Specialty vehicles- 88 vehicles

Varies- from ½ tons to one tons to large dump trucks – most are one ton or larger specialty vehicles, e.g. hatchery trucks to transport fish and dump trucks for Parks and WMAs.

Leased vehicles – 8 vehicles leased from DOT

SUV – 4

Sedans – 2

Small Pick Up – 1

Van - 1

2. **The number of vehicles that are leased from the Department of Transportation and the number which are owned by the Department?**

8 leased vehicles from DOT (Helena)

478 fleet vehicles owned by FWP (statewide)

88 specialty vehicles owned by FWP (statewide)

3. **Average cost of the Department's vehicles, under both scenarios, and the amenities that the vehicles have when purchased: e.g., compact disk players.**

Average purchase cost of FWP fleet vehicles per class:

Sedan \$12,591

Vans \$19,772

SUV \$20,576

1/2T Pick Up \$18,341

3/4T Pick Up \$20,001

Small Pick Up \$15,133

Fleet vehicles typically have the following standard amenities:

- Auto transmission
- Air Conditioning
- Am/Fm radio

- Cruise Control
- Towing package

All FWP pickups are ordered with four-wheel drive unless two-wheel drive is specifically requested; a grill guard is installed on all trucks. Enforcement vehicles have an enforcement package, including power locks and windows.

Average annual leased cost of DOT vehicles per class:

SUV	\$ 9,121
Sedans	\$ 7,500
Small Pick Up	\$ 8,252
Van	\$ 5,414

(Leased costs include maintenance, fuel, insurance, and depreciation)

4. If the benefit provided by the use of state vehicles is reflected on the employee's W-2 form.

FWP's interpretation of IRS Publication 15-B and 535 is reflected in our policy manual under Use of State Property. Currently, no employee is authorized to use a state vehicle in a manner that qualifies as a taxable benefit. FWP's Policy Manual states:

"IRS Rules for driving employer provided vehicles. Personal use of employer provided vehicles is a taxable benefit. Personal use miles are all miles that are not business use. Wardens are exempt from this rule because they have what the IRS calls "qualified non-personal use" vehicles. Law enforcement personnel are the only exceptions to this taxable benefit.

Since FWP has a policy that forbids personal use of department vehicles, we are usually exempt from the taxable benefit rules. The main exception to this would be if an employee has been given permission to use his/her vehicle for driving to and from work (non-wardens). This is true whether you work out of a regional headquarters or not. Personnel who have offices out of their homes do not fall under this rule because they are not allowed to use their department vehicles for personal use. Employees, who are using department vehicles to commute, will have a \$3.00 taxable benefit added to their time roll for each day the vehicle was used for this purpose. The money isn't taken from the paycheck; rather the \$3.00 would be added into the taxable benefit totals in the payroll system. At the end of the year, this information is rolled up and is shown on the W-2's."

5. What a Department considers an "emergency" for purposes of providing a vehicle to an employee for commuting to and from work.

Non-enforcement vehicles are generally assigned to a duty station. If an employee's duty station is also their residence, they are approved to take the vehicle home and are not in a taxable status. For example, a biologist stationed in Ennis, where there is no FWP office, is approved to take their vehicle home. The

biologist typically works from their home or from their vehicle. This is not a taxable status.

FWP has a "Permanent Fleet Vehicle Justification Form" that is sent out annually. A driver must meet two of the three following criteria to be assigned a permanent vehicle:

- 1) Drive a minimum of 10,000 miles per year
- 2) Reside in a remote duty location that does not allow for a shared pool vehicle
- 3) Required to be on immediate call response

This year, we added a box "Approved to Take Home" that must be checked. The employee, regional supervisor, and administrator must each sign the form. From last years list, 191 vehicles were assigned to permanent staff, but we don't know how many were approved to take home under the above criteria.

6. The number of employees in the Helena area commuting to work in state vehicles.

FWP has 3 wardens stationed in the Helena area who have permanently assigned vehicles and who utilize the vehicles to patrol their assigned districts, not necessarily to commute to an office. There are 4 Covert Investigators with assigned vehicles that are utilized as part of their covert capacity. All these staff are required to be on call 24 hours.

7. The number, and titles, of personnel who have cars issued to them?

Seven cars are issued to the following people. These vehicles are stationed at regional headquarters and are not approved to take home:

- One regional park manager
- One regional fisheries manager
- One park manager
- Two information officers
- One fisheries system analyst
- One wildlife mitigation coordinator

In total, 191 vehicles were permanently assigned to staff in the following divisions:

Information Services	0
Field Services	4
Fisheries	39
Law Enforcement	66
Wildlife	49
Parks	30
Communication Education	1
Management and Finance	2

8. The number of vehicles that the Department either owns, or leases from the Department of Transportation?

478 fleet vehicles

88 specialty vehicles

8 leased vehicles from DOT